

Chief Procurement Office Capital Development Board Fredrick Hahn, Chief Procurement Officer

November 19, 2012

Abatement Management, Inc. Attn: Mr. Stephen Sweet 6990 State Route 111 South Roxana, IL 62087

VIA CERTIFIED MAIL

RE: Notice of Suspension of Prequalification

Dear Mr. Sweet:

Abatement Management, Inc. was prequalified with the Capital Development Board ("CDB") as of April 4, 2012. On or about June 21, 2012, you entered into a plea agreement in criminal case No. 11-cr-30194-MJR admitting to charges of tax evasion and making an illegal payment to a public official. The tax evasion charge involved an underreporting of income by you for 2005, and the illegal payment involved making payments in 2009 on a car loan of a U.S. Government contracting official at Scott AFB, IL in exchange for keeping and obtaining contracts. As a result of the plea, on July 27, 2012 the Chief Procurement Officer for Higher Education suspended you and Abatement Management, Inc. from doing business with the state universities for a five year period.

A contractor is required to notify CDB of any significant change to its responsibility/prequalification information (see the definition of "responsibility" in Section 950, as well as item 29 (b) of the prequalification application). Included in the information are whether the firm has been charged or convicted of a state or federal crime (item 22) and whether the firm has been suspended or debarred by a state, federal, or municipal agency (item 25). Those items are answered "no" in the application filed in March 2012. No information has been provided by you to CDB to update these answers subsequent to the filing of the above-referenced criminal case.

Under Title 44, Part 950 of the Illinois Administrative Code, the CDB prequalification of Abatement Management, Inc. is suspended effective the date of this notice. Reasons for suspension include: 1) "violation of civil or criminal federal or state statutes or administrative rules and regulations. In the case of criminal violations, indictment or filing of formal charges by information (complaint) shall constitute adequate evidence for a determination of non-responsibility" (Section 950.210.d); "commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making

false statements, receiving stolen property, or conduct indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of a contractor" (Section 950.210.g); "suspension, debarment, or limits on bidding contracts by any other governmental entity" (Section 950.210.h); and "making false or misleading statements, or failing to disclose or update significant information in connection with CDB documents or procedures, including but not limited to the contractor bidder responsibility application" (Section 950.210.c).

The term of the suspension is 5 years and is effective immediately under Section 950.230.a.2.A and B. In accordance with subsection (b) of this Section, an administrative hearing will be held within 30 days of the date of this notice if you request such a hearing. Please advise whether you request a hearing.

Sincerely,

Fredrick W. Hahn

Chief Procurement Officer

Thomas Klein

General Counsel - CDB

Enclosed:

- 1. March 29, 2012 Prequalification Application
- 2. July 27, 2012 CPO Higher Education Suspension Letter, w/ attachments
- 3. Illinois Administrative Code Section 950